



HOMEOWNER REHABILITATION PILOT PROGRAM

PURPOSE

To help low and moderate income homeowners living in designated areas of the City rehabilitate and maintain safe housing

SOURCE OF FUNDS

Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), or Bond funds

TO BE ELIGIBLE FOR THE PILOT PROGRAM:

- The property must be located within a redevelopment area or a low-income census tract.
- The property must be traditional single-family housing that is owned by the occupant.
- The property must be the owner's primary residence after the project is completed.
- If federally funded, the property must meet federal housing quality standards when the project is completed (see Section 8 Inspection Checklist for federal quality standards). The property may be considered not suitable for rehabilitation if it is dilapidated beyond feasible economic repair.
- The property must not be located within the right-of-way of a future street, highway, or public improvement project.

ALLOWED EXPENDITURES INCLUDE:

- Rehabilitation costs necessary to meet required property standards (i.e. supplies, materials, labor)
- Soft costs (i.e. closing costs, appraisals, fees, etc.)

LOAN INFORMATION

Deferred, non-interest bearing loans are available to homeowners earning 50% or less of the area median income whose income does not exceed the following:

1 in Household	\$25,050	4 in Household	\$35,800
2 in Household	\$28,650	5 in Household	\$38,650
3 in Household	\$32,200	6 in Household	\$41,550

- **If the cost of rehabilitation is \$10,000 or less, a loan may be offered as follows:**

Loan Description

- Loan Amount: Between \$1,000 and \$10,000
- Loan is a deferred, non-interest bearing loan that discounts 1/5 per year (20%) for 5 years. Balance of loan is due and payable if borrower dies*, sells the home, or moves within 5 years. After 5 years, the loan is forgiven.

- **If the cost of rehabilitation exceeds \$10,000, a loan may be offered as follows:**

Loan Description

For homeowners 55 years of age and older or disabled:

- Loan amount: Cost of rehabilitation exceeding \$10,000 up to \$35,000 for a total combined loan (loans 1 & 2) up to \$45,000
- Loan is deferred for 5 years then discounts 1/10 per year (10%) for remaining 10 years. Balance of loan is due and payable if borrower dies*, sells the home, or moves within 15 years. Loan is forgiven after 15 years.

For homeowners under 55 years of age:

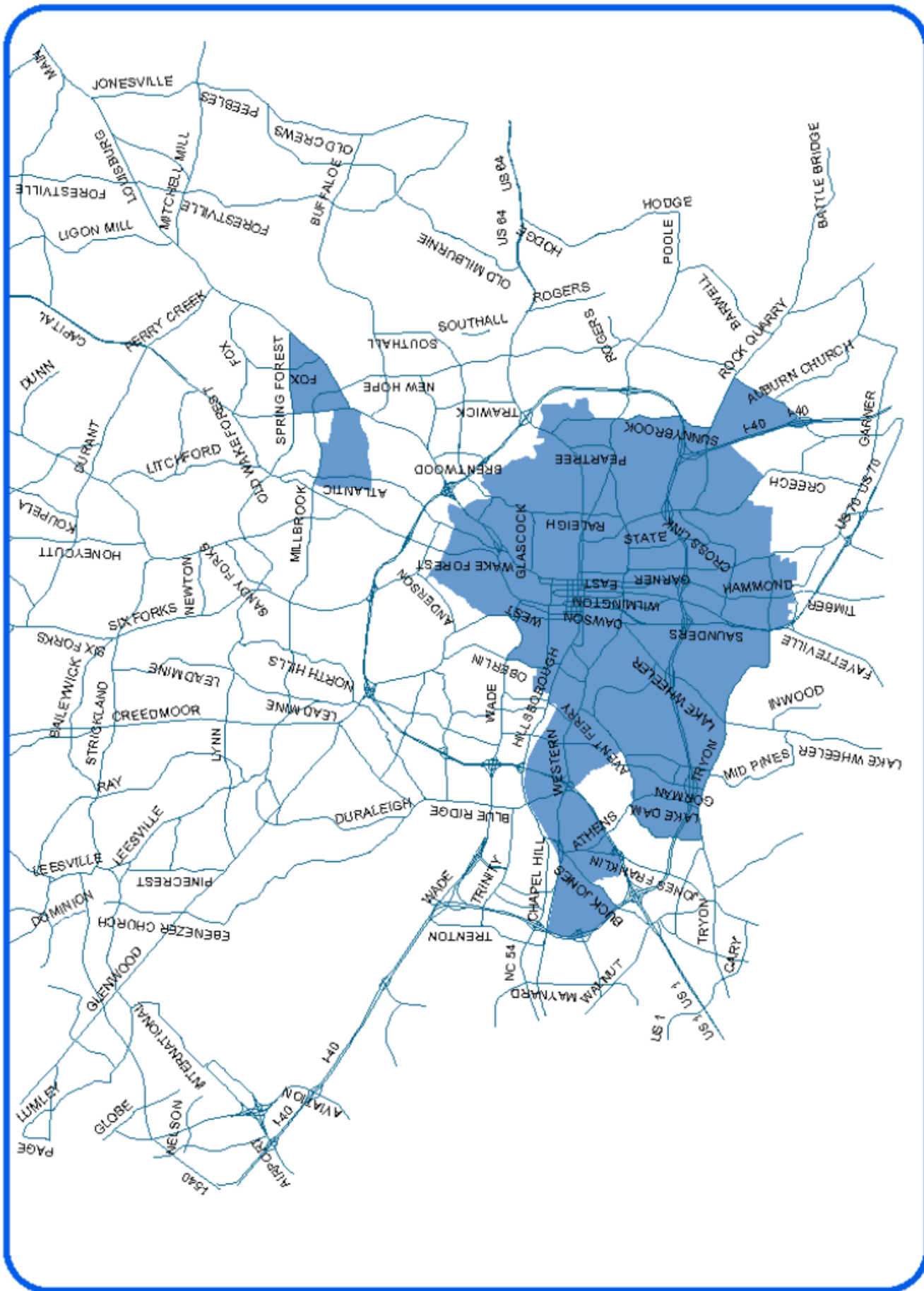
- Loan amount: Cost of rehabilitation exceeding \$10,000 up to \$35,000 for a total combined loan (loans 1 & 2) up to \$45,000
- Loan is deferred for 10 years then discounts 1/5 per year (20%) for remaining 5 years. Balance of loan is due and payable if borrower dies*, sells the home, or moves within 15 years. Loan is forgiven after 15 years.

Other conditions and exceptions apply.

CONTACT

To apply for a loan or to obtain more information, you may call 857-4330 to schedule an appointment or you may visit our office at 310 West Martin Street, Room 101.

* Loan is assumable if heir to property occupies the property and meets qualification criteria



Information depicted herein is for reference purposes only and is compiled from the best available sources. The City of Raleigh assumes no responsibility for errors arising from the misuse of this map.

Date: January 2006

Low-Income Census Tracts

